(a) sluggish demand in the steel consuming sector

(b) overall economic slow down in the country

(c) greater competition from imports

(d) cost escalation in input materials for steel industry

(e) decline in domestic and international prices

(f) dumping of finished steel in the country particularly from CIS and South East Asian countries.

Government has taken several steps to help the steel industry overcome the present problems. These are as under:

(i) To boost the demand and consumption of steel the Development Commissioner for Iron & Steel (DCI&S) has launched a National Campaign for increasing the demand for steel especially in non-traditional sectors, such as rural and agro based industrial sector.

(ii) To reduce input for steel making, the special import duty on several inputs such as coking coal (ash content <12%) non-coking coal (ash content <12%), metallurgical coke, ferro nickle, charge nickel and nickel oxide sinters, low silica limestone and graphite electrodes (>28") has recently been waived.

(iii) Anti dumping duty on Hot Rolled Coils imported from Ukraine and Russia has recently been recommended. Steps are being taken for strengthening of anti dumping investigative machinery.

(iv) Rationalisation of Duty Entitlement Pass Book (DEPB) rates for steel exports have been carried out to boost exports.

(v) A Steel Exporters' Forum has been set up to help steel exporters overcome bottlenecks in exports.

(vi) Enhanced project financing to steel sector by All India financial Institutions and relaxation of ECB norms has been strongly recommended.

(vii) Government has set up an Empowered Committee to examine and assist specific Research and Development Projects to improve technology for steel making and enchance quality of Indian Steel.

Revival Scheme for IISCO

1650. SHRI NILOTPAL BASU:
SHRI DIPANKAR MUKHERJEE:

will the Minister of STEEL AND MINES be pleased to state:

(a) whether IlSCO management has submitted a revival scheme of Rs. 500 crores (approx.) to SAIL and Government; and

(b) if so, the action taken by Government on the same?

THE MINISTER OF STEEL AND MINES (SHRI NAVEEN PATNAIK): (a) and (b) The modernisation proposal for IISCO at an expenditure of Rs. 2,100 crores was submitted by SAIL. Now in the light of the present fund constraints faced by SAIL, another suggestion for an expenditure of Rs. 630 crores as Phase-I of the proposed modernisation has been suggested by SAIL.

IISCO is a sick company, and has been under reference to BIFR for determination of measures in ragard to the future of the company. Any action to be taken on any proposal for modernisation of the company will have to be in accordance with the orders of BIFR.

Closure of Steel Plants

1651. SHRI DIPANKAR MUKHERJEE:
SHRI NILOTPAL BASU:

Will the Minister of STEEL AND MINES be pleased to state: